

## **ENVIRONMENTAL SCAN – National Nexus Program – 3/12/2014 (Denver, CO)**

*Strengths* – the NNP has the following strengths that help it achieve its mission:

- Nexus training
- Round table among the states
- Voluntary disclosure program
- Resource to the states and taxpayers
- High quality information
- Synergy and information sharing among/between the states

*Weaknesses* – the NNP has the following weaknesses that hinder its achievement of its mission:

- Limited measures of success
- Limited staff resources both in the states and at MTC (80% of current time is spent on VDP apps and issues)
- Not enough state participation
- Limited awareness by taxpayers of the NNP
- Too slow to act on voluntary disclosure applications
- Lack of uniformity in state nexus standards
- Lack of information about state nexus standards
- Lack of focus for NNP
- Focus of NNP is too narrow
- Lack of clarity of role of NNP and Nexus Committee with respect to other MTC committees and programs
- Lack of readily available information on current nexus issues
- Not enough engagement by taxpayers

*Opportunities* – the NNP can take advantage of the following opportunities to help achieve its mission:

- Gain more taxpayer engagement
- Gain more state participation (this will affect taxpayer engagement)
- Learn more about nexus issues seen by the MTC and state audit staffs
- Maximize the use of technology to inform taxpayers
- Serve as a clearinghouse for nexus issues and information

*Threats* – the NNP must be able to address the following threats in order to achieve its mission:

- Funding restrictions in both the states and the MTC
- Legislative action affecting nexus standards
- Lack of settled law on nexus standards in the states
- States moving away from the MTC
- Tax amnesties – deter taxpayers from voluntary compliance

**PARKING LOT** – Ideas worth keeping in mind as we move forward

From Denver:

- Consequences for noncompliance to taxpayers
- Anonymous compliance leads from private sector

From Ben:

*Ideas for some criteria for prioritizing project ideas.*

(1) State Interest: Which project considered would attract the most number of *additional* state participants to the project team?

(2) Feasibility: For which project would the Nexus Committee be willing to shift Nexus resources from ongoing Nexus activities, or provide additional state funding?

(3) Impact: Which project would most boost the Commission's reputation by increased attention from the SALT press, by being unique in the SALT community including FTA, TEI, SEATA, Big 4, etc.?